

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



August 4, 1995

8/2/95

ALL-COUNTY INFORMATION NOTICE I-38-95

REASON FOR THIS TRANSMITTAL

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY FISCAL OFFICERS
ALL COUNTY ADMINISTRATIVE
SERVICE OFFICERS

- ☐ State Law Change
- ☐ Federal Law or Regulation Change
- ☐ Court Order or Settlement Agreement
- ☐ Clarification Requested by One or More Counties
- ☒ Initiated by CDSS

SUBJECT: ADMINISTRATIVE REIMBURSEMENT PROCESS FOR AFDC OVERPAYMENTS AND COLLECTIONS
(Senate Bill 627, Chapter 64, Section 46, 11487.5, June 30, 1993)

The California Department of Social Services (CDSS) will be initiating the reimbursement process for SB 627 counties. A total of 52 counties will be participating in this process. The first checks will be issued after January 1, 1996. The CDSS's ability to expedite the issuance of administrative reimbursements will depend on participating counties submitting timely and accurate data on their Administrative Claim and on the Quarterly Report of Overpayments and Collections (Aid to Families with Dependent Children (AFDC)) CA 812.

The AFDC collection totals will be determined for each county by the CDSS Fraud Bureau. The funds available for reimbursement will be derived from the increase in AFDC collections a county achieves in FY 1994-95 over the collections obtained in the base year (FY 1992-93). The funding source for administrative reimbursement will be the state share (i.e., 47.5 percent) of this increase. In no case will the level of reimbursement exceed the amount made available from the increase in collections. This amount will be determined from the CA 812s for FY 1994-95 submitted by August 1, 1995. No adjustments or revisions to these reports for purposes of determining SB 627 funds will be allowed after this date. The CA 812 reports will be subject to the provisions of section 1090 to 1096, inclusive, of the Government Code, that the aid adjustments and collections reflected have been made in accordance with all the provisions of the Welfare and Institutions Code and rules and regulations of the CDSS.

The administrative cost for AFDC collections activity will be determined from the County Administrative Expense Claim Funding-Eligibility and Fraud (DFA 327.5B) submitted for FY 1994-95. Because of the length of time involved before the claims are finalized, the CDSS Fraud Bureau will determine administrative cost from the initial claims that are submitted. If there is a difference in the cost because of an adjusted claim, there will be a reconciliation of the final SB 627 reimbursement. If the final cost is higher than the amount originally used for reimbursement but within the approved allocation, the county will receive an adjustment if funds are available. If the final cost of collections is lower than originally determined the county's AFDC administrative payment will be offset by the amount of overpayment.

If you have any questions, please call Alex Kam, Collections Manager, at (916) 445-0031.

ORIGINAL SIGNED BY

BRUCE WAGSTAFF

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Acting Deputy Director
Welfare Programs Division

c: CWDA

bcc: B. Wagstaff, 17-08
W. Barnes, 16-26
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